

## Drilling Commences at El Rosillo

26 May 2022

E2 Metals (**E2** or **the Company**) is pleased to announce that drilling has commenced at the El Rosillo project, located in the western Rio Negro Province of Argentina

### Highlights

- El Rosillo is a new greenfields discovery located within the Gastre Fault which is host to Pan America Silver's large Navidad silver deposit (total resources 751Moz Ag)
- The drill program will comprise 2500m of diamond drilling focused on **testing 7 gold mineralised structures within five prospect areas for a cumulative 1400m strike.**

- Priority targets defined from the recent trench program include

|                              |          |                                    |
|------------------------------|----------|------------------------------------|
| <a href="#">Prospect 37A</a> | ROT-024: | <b>1.9m at 184gpt Au, 55gpt Ag</b> |
|                              | ROT-023: | <b>10.7m at 3.7gpt Au</b>          |
|                              | ROT-004  | <b>25m at 2.9gpt Au</b>            |

|                              |          |                                   |
|------------------------------|----------|-----------------------------------|
| <a href="#">Prospect 38A</a> | ROT-009: | <b>1m at 279gpt Au, 116gpt Ag</b> |
|------------------------------|----------|-----------------------------------|

- This includes gold mineralised structures defined in new trench results not previously announced

|                              |          |                        |
|------------------------------|----------|------------------------|
| <a href="#">Prospect 38F</a> | ROT-042: | <b>7m at 3.6gpt Au</b> |
|------------------------------|----------|------------------------|

|                              |          |                          |
|------------------------------|----------|--------------------------|
| <a href="#">Prospect 38E</a> | ROT-065: | <b>1.2m at 8.7gpt Au</b> |
|------------------------------|----------|--------------------------|

- Drilling is anticipated to be completed in 6 weeks

Commenting on the update, Managing Director Todd Williams states: "We are excited for this first drill program at El Rosillo which will test surface veins that have returned spectacular grades and visible gold in trenches. We believe that El Rosillo, which includes the broader district controlled 100% by E2 Metals, has all the hallmarks of a large intrusion related gold system, with the potential for a major discovery heightened by the proximity to the Gastre Fault that hosts the world-class Navidad silver deposit."

#### E2 Metals Limited

ABN: 34 116 865 546  
ASX Code: E2M

#### Issued Capital

199.1M fully paid  
ordinary shares

#### Directors / Secretary

Peter Mullens  
Chair  
Todd Williams  
Managing Director  
Melanie Leydin  
Non-Executive Director

#### Address

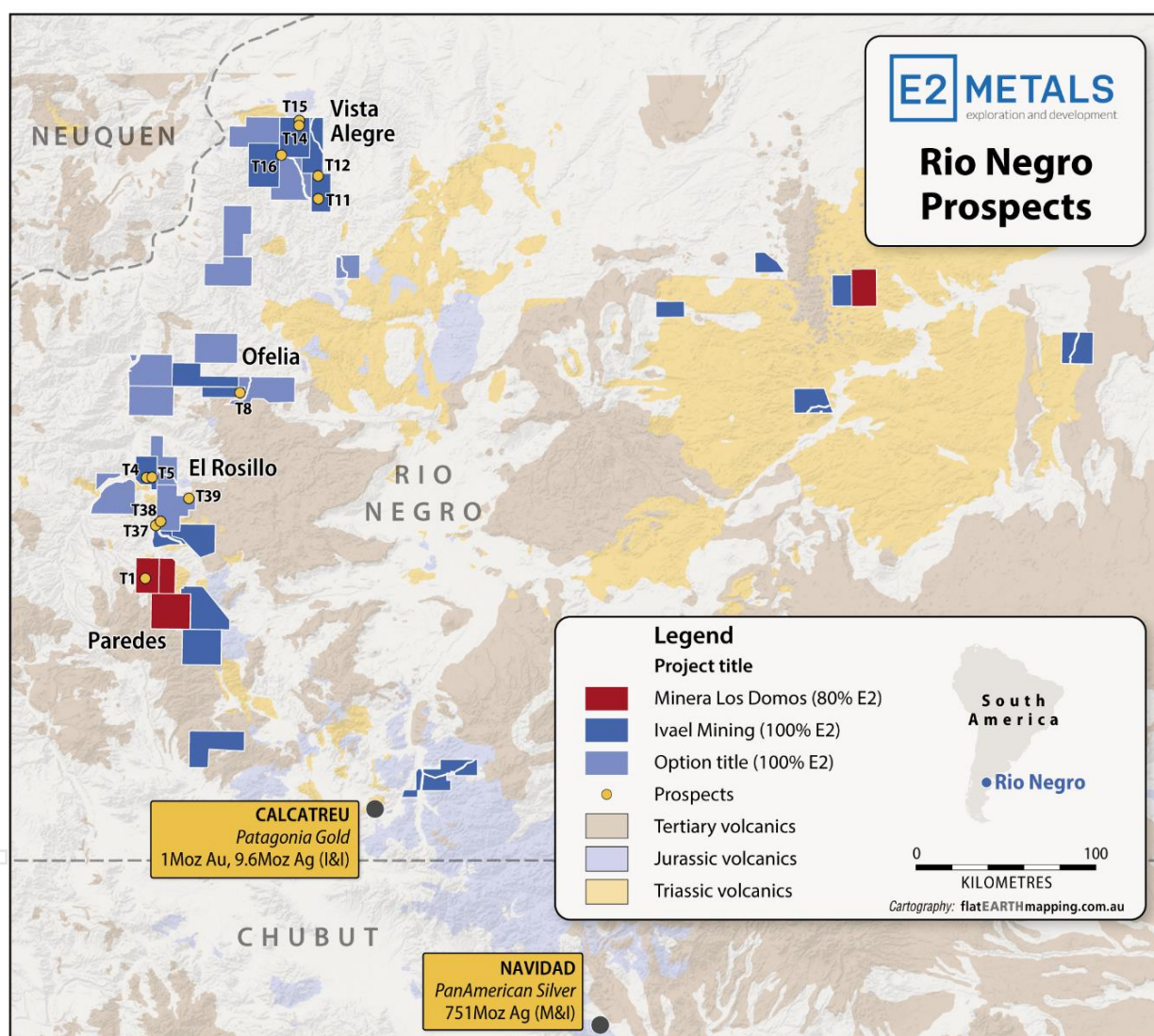
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## Rio Negro Projects, Argentina

### Overview

The Rio Negro Province contains the northern portion of the Somuncura Massif, a large volcanic province that is geologically similar to the Deseado Massif in Santa Cruz, but has been subject to far less modern exploration. The Somuncura Massif is host to Pan American Silver's Navidad deposit, the largest undeveloped silver deposit in the world with over 750 million ounces of silver resources.



**Figure 1:** Western Rio Negro projects including El Rosillo

The Company has consolidated four large districts in the western part of the Rio Negro province centered on the **Vista Alegre**, **Ofelia**, **Paredes** and **El Rosillo** properties (Figure 1) respectively. Initial reconnaissance mapping and sampling by E2 in March 2021 (see ASX Announcement, 27 April 2021, March 2021 Quarterly Report) defined 12 gold mineralised prospects of possible Intrusion Related Gold ("IRG") affinity over a regional strike length extending about 200km to the north of El Rosillo





Figure 1: Prospect 37A – drill platform and rig

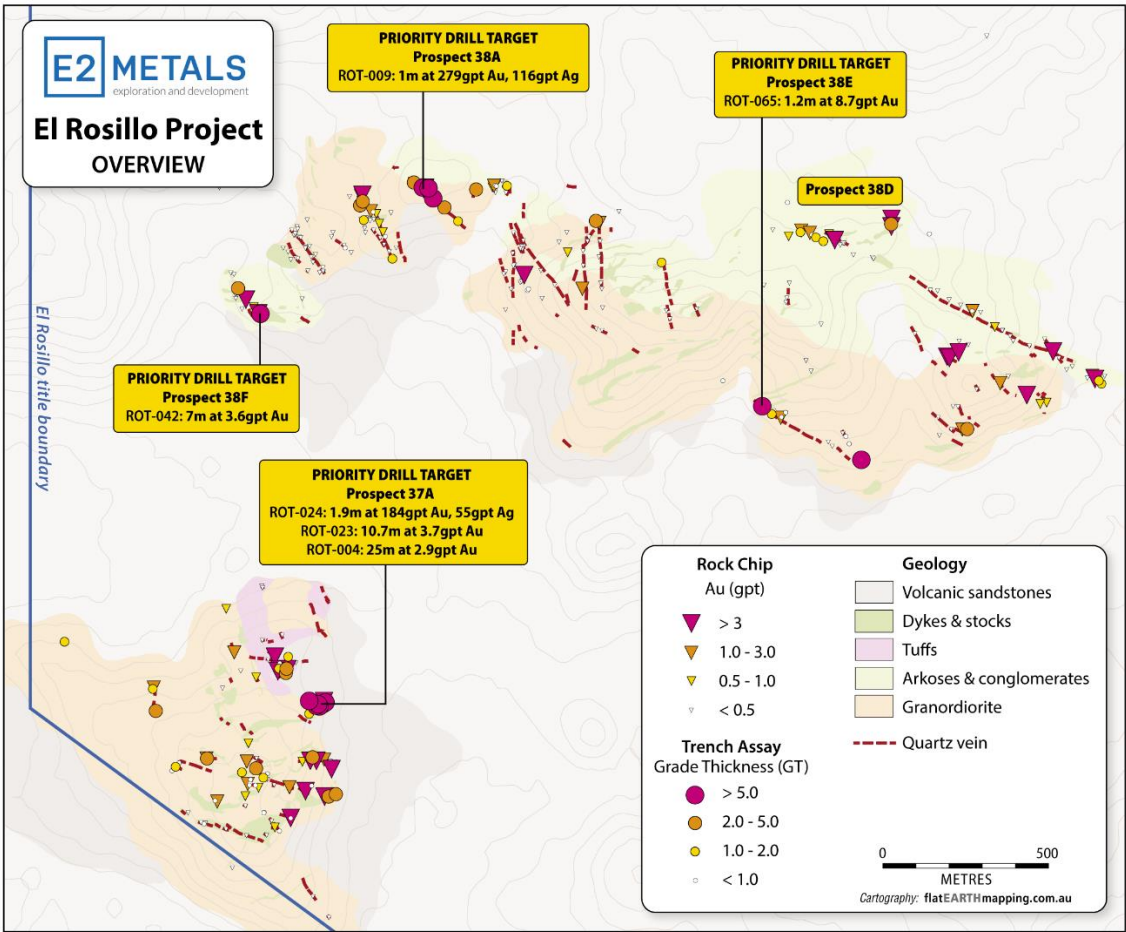


Figure 2: Summary of trench results and drill priorities

## Summary of trench program

Trenching to date has comprised 115 trenches for 3974m (Table 1). This includes a combination of hand dug and mechanically excavated trenches with lengths that range from 9m to 93m.

Trenches were designed to test to main target types:

- 1) First-order gold geochemical anomalies in composite rock chip samples that were initially collected on a nominal 20m by 40m sample grid (see ASX announcement, *Rio Negro - Target 38 Sampling Results*, 8 July 2021).
- 2) Outcropping vein structures and their covered extensions as prime geological targets with gold mineralisation undetected by the composite rock chip samples

A summary of trench results is shown below in Table 2.

In a general sense, the best mineralised structures defined in trenches coincide with the highest anomalies in the composite rock samples, confirming the methods effectiveness in vectoring to blind veins that do not outcrop.

## Summary of drill targets

### Priority 1 drill targets: Four mineralised structures for 900m cumulative strike

Four vein structures have returned >10 gram-meters Grade Thickness (GT) trench intercepts and are prioritised for drill testing on sections spaced 75m apart (GT is calculated as gold grade x thickness).

#### Prospect 37A

West-northwest trending mineralised structure outcropping over 100m strike, open to the east-southeast and west-northwest under shallow gravel cover

ROT-004: **25m at 2.9gpt Au (72 GT)**

ROT-023: **10.7m at 3.7gpt Au (39 GT)**

ROT-024: **1.9m at 184gpt Au, 55gpt Ag (350 GT)**

#### Prospect 38A

Northwest trending mineralised structure outcropping over 200m strike, open to the east-southeast under shallow gravel cover

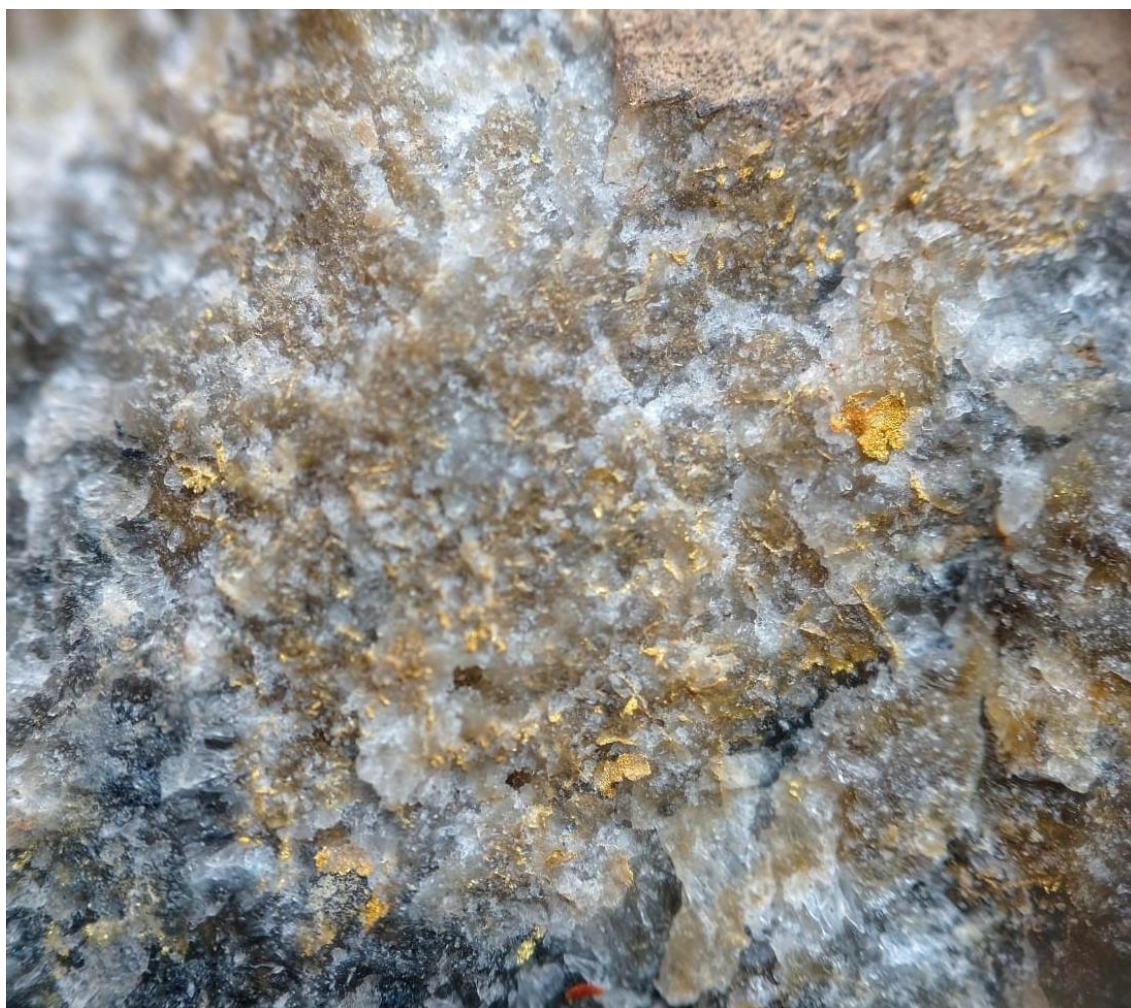
ROT-009: **1m at 279gpt Au, 116gpt Ag (279 GT)**

#### Prospect 38F

West-northwest trending mineralised structure outcropping over 200m strike, open to the east-southeast under shallow gravel cover

ROT-042: **7m at 3.6gpt Au (25 GT)**





**Figure 3:** Trench ROT-009, visible gold in hand sample (x10 magnification)

#### Prospect 38E

West-northwest trending mineralised structure outcropping over 400m strike, open to the east-southeast under shallow gravel cover

ROT-065: **1.2m at 8.7gpt Au (10.5 GT)**

#### Priority 2 drill targets: Four mineralised structures for 500m cumulative strike

Three vein structures have returned 1-5 GT trench intercepts characterized by moderate to high gold grades over 1-2m intervals. These targets are prioritised for drill testing on sections spaced 150m apart (depending on outcrop dimensions) to determine if the vein structures are better developed at depth.

#### Prospect 38A

Northwest trending mineralised structure outcropping over 200m strike, open to the east-southeast under shallow gravel cover

ROT-087: **0.8m at 3.2gpt Au (2.6 GT)**

### Prospect 38D

West-northwest trending mineralised structure outcropping over 200m strike, open to the west-northwest and east-southeast under shallow gravel cover

ROT-033: **1.2m at 1.1gpt Au (1.3 GT)**

ROT-036: **1.5m at 1gpt Au (1.5 GT)**

This includes a separate parallel structure to the north that returned:

ROT-048: **0.5m at 7.37gpt Au, 11gpt Ag (3.7 GT)**

## Next Steps

- Drill contractor Cono Sur SA is arrived on site Monday 24 May. Drilling has commenced at Prospect 37A (see Figure 1) The program involved a light-weight rig transportable by car to minimize environmental impact.
- The drill program is expected to take 6 weeks to complete.
- Drill samples will be shipped to Alex Stewart laboratories and gold assay results are expected 4 weeks from dispatch.

For enquiries please contact:

**Todd Williams**

Managing Director

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**This announcement is authorised for release to the market by the Board of Directors of E2 Metals Limited.**

**Table 1:** Trench locations stated in UTM 19S

| Trench ID | East   | North   | RL (m) | Azimuth | Length (m) |
|-----------|--------|---------|--------|---------|------------|
| ROT-001   | 402427 | 5444014 | 953    | 188     | 56.5       |
| ROT-002   | 402536 | 5443724 | 952    | 182     | 58         |
| ROT-003   | 402319 | 5443709 | 979    | 215     | 71         |
| ROT-004   | 402500 | 5443847 | 954    | 50      | 54         |
| ROT-005   | 402501 | 5443717 | 956    | 185     | 43         |
| ROT-006   | 402553 | 5443609 | 946    | 193     | 33         |
| ROT-007   | 402384 | 5444016 | 958    | 184     | 44         |
| ROT-008   | 403019 | 5445465 | 997    | 210     | 72         |
| ROT-009   | 402842 | 5445444 | 1010   | 208     | 60         |
| ROT-010   | 402498 | 5443625 | 950    | 198     | 43         |
| ROT-011   | 402066 | 5443739 | 961    | 208     | 75         |
| ROT-012   | 404682 | 5444722 | 906    | 27      | 47         |
| ROT-013   | 402138 | 5444345 | 903    | 162     | 20         |
| ROT-014   | 404494 | 5444730 | 993    | 212     | 93.5       |
| ROT-015   | 402882 | 5445421 | 1004   | 214     | 46.3       |
| ROT-016   | 402791 | 5445455 | 1001   | 206     | 21         |
| ROT-017   | 402752 | 5445495 | 995    | 211     | 62         |
| ROT-018   | 404656 | 5444818 | 980    | 211     | 52.5       |
| ROT-019   | 402808 | 5445445 | 996    | 215     | 10         |
| ROT-020   | 402853 | 5445431 | 970    | 205     | 16         |
| ROT-021   | 402900 | 5445369 | 986    | 215     | 14         |
| ROT-022   | 402941 | 5445328 | 978    | 215     | 11         |
| ROT-023   | 402503 | 5443859 | 951    | 55      | 38.7       |
| ROT-024   | 402490 | 5443879 | 943    | 52      | 14         |
| ROT-025   | 402537 | 5443838 | 942    | 55      | 26         |
| ROT-026   | 402487 | 5443838 | 954    | 55      | 15.3       |
| ROT-027   | 402478 | 5443817 | 943    | 52      | 9.7        |
| ROT-028   | 402488 | 5443811 | 961    | 34      | 12.5       |
| ROT-029   | 402384 | 5444016 | 953    | 4       | 44         |
| ROT-030   | 404006 | 5445284 | 1032   | 208     | 9          |
| ROT-031   | 404077 | 5445271 | 1038   | 207     | 13         |
| ROT-032   | 404066 | 5445252 | 1039   | 204     | 10.9       |
| ROT-033   | 404023 | 5445287 | 1036   | 205     | 15         |
| ROT-034   | 404058 | 5445287 | 1032   | 220     | 12.8       |
| ROT-035   | 404043 | 5445270 | 1032   | 207     | 16         |
| ROT-036   | 403975 | 5445299 | 1029   | 208     | 10.5       |
| ROT-037   | 403964 | 5445329 | 1028   | 217     | 25.5       |
| ROT-038   | 403934 | 5445385 | 1028   | 208     | 40         |
| ROT-039   | 404448 | 5444937 | 967    | 217     | 20         |
| ROT-040   | 404428 | 5444924 | 989    | 204     | 31.7       |
| ROT-041   | 404166 | 5444724 | 983    | 235     | 29.7       |
| ROT-042   | 402344 | 5445047 | 956    | 220     | 13         |
| ROT-043   | 402308 | 5445088 | 956    | 235     | 15         |

| Trench ID | East   | North   | RL (m) | Azimuth | Length (m) |
|-----------|--------|---------|--------|---------|------------|
| ROT-044   | 404161 | 5444612 | 978    | 223     | 32.8       |
| ROT-045   | 404167 | 5444608 | 964    | 211     | 16.8       |
| ROT-046   | 404146 | 5444617 | 960    | 215     | 12.5       |
| ROT-047   | 404350 | 5445267 | 1026   | 27      | 25.5       |
| ROT-048   | 404241 | 5445310 | 1030   | 32      | 19.1       |
| ROT-049   | 404103 | 5445338 | 1028   | 352     | 15.5       |
| ROT-050   | 402480 | 5443868 | 954    | 55      | 20         |
| ROT-051   | 403137 | 5445167 | 992    | 86      | 19         |
| ROT-052   | 402399 | 5443977 | 948    | 197     | 16.7       |
| ROT-053   | 402465 | 5443881 | 948    | 61      | 28         |
| ROT-054   | 402571 | 5443601 | 942    | 192     | 21         |
| ROT-055   | 402353 | 5445017 | 947    | 80      | 20         |
| ROT-056   | 403041 | 5445439 | 980    | 122     | 20.6       |
| ROT-057   | 402924 | 5445351 | 991    | 221     | 15         |
| ROT-058   | 402971 | 5445311 | 985    | 226     | 18.3       |
| ROT-059   | 404123 | 5444657 | 979    | 232     | 26.8       |
| ROT-060   | 404116 | 5444680 | 978    | 244     | 19.5       |
| ROT-061   | 404055 | 5444627 | 975    | 199     | 52         |
| ROT-062   | 404025 | 5444705 | 975    | 65      | 23         |
| ROT-063   | 403949 | 5444686 | 977    | 45      | 14         |
| ROT-064   | 403928 | 5444750 | 992    | 223     | 40.4       |
| ROT-065   | 403861 | 5444775 | 985    | 208     | 16.2       |
| ROT-066   | 404017 | 5444696 | 981    | 223     | 52.5       |
| ROT-067   | 403896 | 5444764 | 987    | 210     | 35.4       |
| ROT-068   | 403740 | 5444799 | 983    | 40      | 40         |
| ROT-069   | 403820 | 5444728 | 968    | 200     | 39.5       |
| ROT-070   | 403743 | 5444850 | 992    | 222     | 17.5       |
| ROT-071   | 404909 | 5444843 | 951    | 215     | 30         |
| ROT-072   | 404891 | 5444847 | 955    | 223     | 27         |
| ROT-073   | 404875 | 5444848 | 959    | 225     | 20.5       |
| ROT-074   | 404857 | 5444878 | 955    | 215     | 38.5       |
| ROT-075   | 404750 | 5444941 | 980    | 218     | 50.5       |
| ROT-076   | 404717 | 5444978 | 969    | 218     | 72         |
| ROT-077   | 404650 | 5445002 | 987    | 217     | 84         |
| ROT-078   | 404573 | 5445029 | 1003   | 210     | 45         |
| ROT-079   | 404500 | 5445079 | 995    | 203     | 58.7       |
| ROT-080   | 404420 | 5445106 | 1004   | 200     | 34         |
| ROT-081   | 402729 | 5445286 | 989    | 233     | 53         |
| ROT-082   | 402661 | 5445319 | 985    | 195     | 35         |
| ROT-083   | 402604 | 5445248 | 961    | 240     | 44.3       |
| ROT-084   | 402700 | 5445205 | 972    | 80      | 86.7       |
| ROT-085   | 402672 | 5445209 | 972    | 268     | 36.7       |
| ROT-086   | 402693 | 5445363 | 982    | 225     | 63         |
| ROT-087   | 402665 | 5445404 | 969    | 215     | 54         |
| ROT-088   | 402265 | 5445113 | 957    | 49      | 45.3       |



| Trench ID | East   | North   | RL (m) | Azimuth | Length (m) |
|-----------|--------|---------|--------|---------|------------|
| ROT-089   | 402500 | 5444152 | 941    | 64      | 78         |
| ROT-090   | 402405 | 5444003 | 957    | 199     | 30         |
| ROT-091   | 402337 | 5443688 | 983    | 212     | 27.7       |
| ROT-092   | 402318 | 5443657 | 989    | 192     | 37         |
| ROT-093   | 402374 | 5443669 | 973    | 226     | 67         |
| ROT-094   | 402437 | 5443533 | 973    | 198     | 17.5       |
| ROT-095   | 402420 | 5443510 | 975    | 220     | 31         |
| ROT-096   | 402377 | 5443461 | 983    | 221     | 43         |
| ROT-097   | 402333 | 5443516 | 985    | 39      | 72         |
| ROT-098   | 402180 | 5443520 | 984    | 212     | 30         |
| ROT-099   | 402195 | 5443574 | 973    | 53      | 18         |
| ROT-100   | 402181 | 5443698 | 980    | 9       | 25.5       |
| ROT-101   | 402115 | 5443711 | 970    | 222     | 73         |
| ROT-102   | 402028 | 5443849 | 955    | 57      | 26         |
| ROT-103   | 401993 | 5443916 | 948    | 92      | 55         |
| ROT-104   | 401928 | 5443963 | 936    | 247     | 28.3       |
| ROT-105   | 401739 | 5444056 | 928    | 84      | 20.6       |
| ROT-106   | 402525 | 5444208 | 931    | 69      | 43         |
| ROT-107   | 402509 | 5444088 | 938    | 59      | 26         |
| ROT-108   | 403063 | 5445427 | 991    | 80      | 42.5       |
| ROT-109   | 403143 | 5445110 | 998    | 37      | 33.5       |
| ROT-110   | 403209 | 5445138 | 1002   | 60      | 17.4       |
| ROT-111   | 403270 | 5445076 | 1030   | 210     | 15.3       |
| ROT-112   | 403300 | 5445120 | 1027   | 94      | 29         |
| ROT-113   | 403342 | 5445333 | 992    | 117     | 41         |
| ROT-114   | 403541 | 5445200 | 1023   | 87      | 33         |
| ROT-115   | 403635 | 5444998 | 1052   | 264     | 33         |

**Table 2** Trench significant intercepts

| Trench  | From | To   | Interval (m) | Au (gpt) | Ag (gpt) | Statement                    |
|---------|------|------|--------------|----------|----------|------------------------------|
| ROT-001 | 51.5 | 52.5 | 1            | 2.37     | 0        | 1m at 2.37gpt Au             |
| ROT-004 | 26   | 54   | 25           | 2.9      | 0        | 25 at 2.9gpt Au              |
| ROT-005 | 8    | 9.5  | 1.5          | 1.29     | 0        | 1.5m at 1.29gpt Au           |
| ROT-006 | 19   | 20.5 | 1.5          | 1.74     | 0        | 1.5m at 1.74gpt Au           |
| ROT-008 | 51.5 | 53   | 1.5          | 2.98     | 5.94     | 1.5m at 2.98gpt Au           |
| ROT-009 | 20   | 21   | 3            | 93       | 37.54    | 1m at 279gpt Au, 116gpt Ag   |
| ROT-014 | 38   | 39.5 | 1.5          | 1.63     | 0        | 1.5m at 1.63gpt Au           |
| ROT-015 | 33   | 35   | 2            | 2.64     | 4.41     | 2m at 2.64gpt Au             |
| ROT-019 | 4.15 | 4.9  | 0.75         | 2.56     | 0        | 0.75m at 2.56gpt Au          |
| ROT-020 | 7.1  | 9.2  | 2.1          | 3.74     | 0.27     | 2.1m at 3.74gpt Au           |
| ROT-021 | 3.5  | 5.5  | 2            | 1.74     | 0.85     | 2m at 1.74gpt Au             |
| ROT-022 | 3.7  | 4.7  | 1            | 1.39     | 0.91     | 1m at 1.39gpt Au             |
| ROT-023 | 28.2 | 29.2 | 1            | 1.1      | 0        | 1m at 1.1gpt Au              |
| ROT-023 | 10   | 14.1 | 4.1          | 2.51     | 0.22     | 4.1m at 2.51gpt Au           |
| ROT-023 | 17.5 | 21.4 | 3.9          | 7.71     | 0.65     | 3.9m at 7.71gpt Au           |
| ROT-024 | 0    | 1.9  | 1.9          | 184      | 55.25    | 1.9m at 184gpt Au, 55gpt Ag  |
| ROT-026 | 3.5  | 4    | 0.5          | 3.64     | 0        | 0.5m at 3.64gpt Au           |
| ROT-033 | 12   | 13   | 1            | 1.12     | 0.17     | 1m at 1.12gpt Au             |
| ROT-035 | 11.5 | 12.5 | 1            | 1.1      | 0        | 1m at 1.1gpt Au              |
| ROT-036 | 8    | 9.5  | 1.5          | 1.08     | 0.59     | 1.5m at 1.08gpt Au           |
| ROT-042 | 1.5  | 8.5  | 7            | 3.65     | 1.62     | 7m at 3.65gpt Au             |
| ROT-048 | 7.5  | 8    | 0.5          | 7.37     | 11.05    | 0.5m at 7.37gpt Au, 11gpt Ag |
| ROT-052 | 0.5  | 1    | 0.5          | 3.06     | 2.49     | 0.5m at 3.06gpt Au           |
| ROT-054 | 3    | 4.5  | 1.5          | 2.96     | 2.64     | 1.5m at 4.4gpt Au            |
| ROT-058 | 10.4 | 11   | 0.6          | 2.9      | 3.44     | 0.6m at 2.9gpt Au            |
| ROT-059 | 5.1  | 5.6  | 0.5          | 1.44     | 2.59     | 0.5m at 1.44gpt Au           |
| ROT-065 | 9.3  | 10.5 | 1.2          | 8.69     | 2.53     | 1.2m at 8.69gpt Au           |
| ROT-067 | 23.5 | 24.3 | 0.81         | 1.24     | -1.98    | 0.81m at 1.24gpt Au          |
| ROT-073 | 5.5  | 6    | 0.5          | 3.19     | 0        | 0.5m at 3.19gpt Au           |
| ROT-084 | 41.7 | 42.7 | 1            | 1.49     | 0.25     | 1m at 1.49gpt Au             |
| ROT-086 | 14.4 | 15   | 0.6          | 0.97     | 5.97     | 0.6m at 0.97gpt Au           |
| ROT-086 | 53   | 54.5 | 1.5          | 1.19     | 0        | 1.5m at 1.19gpt Au           |
| ROT-087 | 38.2 | 40   | 1.8          | 1.02     | 3.58     | 1.8m at 1.02gpt Au           |
| ROT-087 | 23.8 | 24.6 | 0.81         | 3.2      | 0        | 0.81m at 3.2gpt Au           |
| ROT-088 | 14.5 | 16.4 | 1.9          | 1.16     | 0        | 1.9m at 1.16gpt Au           |
| ROT-090 | 23.7 | 24.2 | 0.5          | 1.67     | 0        | 0.5m at 1.67gpt Au           |
| ROT-091 | 14.3 | 14.8 | 0.5          | 4.78     | 2.62     | 0.5m at 4.78gpt Au           |
| ROT-092 | 16.2 | 16.7 | 0.5          | 1.47     | 0        | 0.5m at 1.47gpt Au           |
| ROT-093 | 39.3 | 40.3 | 1            | 1        | 0        | 1m at 1gpt Au                |
| ROT-099 | 6.7  | 7.2  | 0.5          | 1.65     | 0        | 0.5m at 1.65gpt Au           |
| ROT-100 | 7.1  | 8.6  | 1.5          | 1.92     | 3.85     | 1.5m at 1.92gpt Au           |
| ROT-102 | 0.5  | 1.5  | 1            | 1.2      | 0        | 1m at 1.2gpt Au              |
| ROT-108 | 24.2 | 25.2 | 1            | 0.97     | 8.96     | 1m at 0.97gpt Au             |
| ROT-113 | 20.2 | 20.7 | 0.5          | 1.31     | 6        | 0.5m at 1.31gpt Au           |
| ROT-113 | 14   | 16.2 | 2.2          | 2.03     | 12.33    | 2.2m at 2.03gpt Au, 12gpt Ag |
| ROT-114 | 12   | 13   | 1            | 1.02     | 0.11     | 1m at 1.02gpt Au             |

## Competent Person's Statement

Information in this report that relates to Exploration results and targets is based on, and fairly reflects, information compiled by E2 Metals Limited and Colin Brodie, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr. Brodie is a Senior Technical Advisor and consultant to E2 Metals Limited. Mr. Brodie has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Brodie consents to the inclusion of the data in the form and context in which it appears

## Forward Looking Statement

Certain statements in this announcement constitute "forward-looking statements" or "forward looking information" within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict" and other similar terminology, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. These statements reflect the Company's current expectations regarding future events, performance and results, and speak only as of the date of this announcement.

All such forward-looking information and statements are based on certain assumptions and analyses made by E2M's management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believe are appropriate in the circumstances. These statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking information or statements including, but not limited to, unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts to perform as agreed; changes in commodity prices; unexpected failure or inadequacy of infrastructure, or delays in the development of infrastructure, and the failure of exploration programs or other studies to deliver anticipated results or results that would justify and support continued studies, development or operations.

Readers are cautioned not to place undue reliance on forward-looking information or statements. Although the forward-looking statements contained in this announcement are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this announcement and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this announcement.



## JORC Code Reporting Criteria

### Section 1 Sampling Techniques and Data

| Criteria                   | JORC Code Explanation   | Commentary  |
|----------------------------|---|---|
| <b>Sampling Techniques</b> | <ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representativity and the appropriate calibration of any measurement tools or systems used.</li> </ul> | <p><b>El Rosillo composite rock sampling</b></p> <ul style="list-style-type: none"> <li>Sampling was undertaken on a grid pattern on lines perpendicular to the main trends of quartz veins and veinlets identified during reconnaissance mapping</li> <li>Lines on the grid were spaced 40m apart and samples taken as composites over intervals of 20m.</li> <li>Composite sampling over these 20m intervals was done by taking a small representative sample of whatever rock or float material that was encountered every metre with a rope marked with knots at 1m intervals to control this spacing. When there was insufficient material representative of bed-rock at the 1m intervals the geologist walked over the 20m interval collecting float fragments of what was visually estimated to be a representative sample.</li> <li>A small sample was taken from the central part of each sample interval for spectral analysis by an Orexpress instrument.</li> </ul> <p>Sample locations are determined by a handheld GPS</p> <p><b>El Rosillo continuous channel chip samples</b></p> <ul style="list-style-type: none"> <li>Continuous channel chip samples were collected on sample intervals no less than 0.5m and no greater than 3m.</li> <li>Samples were collected using a hammer and chisel and are collected to be representative with both vein and wall rock material. Sample weights approximate 5 kilograms.</li> </ul> <p><b>El Rosillo Trenches</b></p> <ul style="list-style-type: none"> <li>Trenches are marked using a handheld GPS and excavated with pick and shovel, removing less than 0.5m of soil and colluvium to expose the underlying bedrock.</li> <li>Samples intervals are no less than 0.5m and no greater than 3m.</li> <li>Continuous samples are collected using a hand-held circular saw with a masonry blade cutting channels in the floor of the trench up to 10cm wide.</li> </ul> |

| Criteria   | JORC Code Explanation  | Commentary   |
|--|--|--|
| <b>Drilling Techniques</b>   | <ul style="list-style-type: none"> <li>• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>  | <ul style="list-style-type: none"> <li>• No drill results are discussed in this announcement</li> </ul>  |
| <b>Drill Sample Recovery</b>                                       | <ul style="list-style-type: none"> <li>• Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>• Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul> | <ul style="list-style-type: none"> <li>• No drill results are discussed in this announcement</li> </ul>  |
| <ul style="list-style-type: none"> <li>• <b>Logging</b></li> </ul> | <ul style="list-style-type: none"> <li>• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> </ul>  | <ul style="list-style-type: none"> <li>• Systematic geological logging was undertaken using a hand lens to closely examine the chips and cores. Data collected includes:</li> <li>• Nature and extent of lithologies.</li> <li>• Relationship between lithologies.</li> <li>• Alteration extent, nature and intensity.</li> <li>• Oxidation extent, mineralogy and intensity.</li> <li>• Sulphide types and visually estimated percentage.</li> <li>• Quartz vein, veinlets, breccia types and visually estimated percentage.</li> <li>• Structure's occurrence and attitude.</li> <li>• Chips from crucial zones of interest are checked later, off site, by examination with a 10x binocular microscope.</li> <li>•</li> </ul> |

| Criteria  | JORC Code Explanation   | Commentary  |
|---|---|---|
|   | <ul style="list-style-type: none"> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> </ul>  | <b>El Rosillo Trenches</b> <ul style="list-style-type: none"> <li>All trenches are logged from start to finish Both qualitative and quantitative data is collected, using predefined logging codes for lithological, mineralogical, and physical characteristics.</li> </ul>  |
|   | <ul style="list-style-type: none"> <li>The total length and percentage of the relevant intersections logged.</li> </ul>   | <ul style="list-style-type: none"> <li>100% of all trenches are logged</li> </ul>   |
| <b>Sub-Sampling Techniques and Sample Preparation</b> | <p>If core, whether cut or sawn and whether quarter, half or all core taken.</p>  | <ul style="list-style-type: none"> <li>100% of all channel samples are sampled</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representativity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul> | <b>Alex Stewart Fire Assay</b> <ul style="list-style-type: none"> <li>All trench and drill holes samples are submitted to Alex Stewart Mendoza. Samples are dried and crushed until more than 80% is finer than 10 mesh size, then a 600g split obtained by riffle splitting is pulverized until 95% is finer than 106 microns.</li> <li>Certified Standard Reference materials and duplicate samples are inserted every 25 samples (RC) and every 12.5 samples (DDH) to assess the accuracy and reproducibility.</li> </ul>  |
| <b>Quality of Assay Data and Laboratory Tests</b>     | <ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations</li> </ul>   | <ul style="list-style-type: none"> <li>Certified reference material, blanks or duplicates were inserted at least every 25 samples. Standards are purchased from a Certified Reference material manufacture company – Ore Research and Exploration. Standards were purchased in foil lines packets of between 60g and 100g. Different reference materials were used to cover high grade, medium grade and low grader ranges of gold and silver. The standard names on the foil packages were erased before going into the pre-numbered sample bag and the standards are submitted to the lab blind.</li> </ul> |



| Criteria                                     | JORC Code Explanation  | Commentary   |
|--|--|--|
|  | <p>factors applied and their derivation, etc.</p> <ul style="list-style-type: none"> <li>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</li> </ul>   |  |
| <b>Verification of sampling and assaying</b> | <ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>                    | <ul style="list-style-type: none"> <li>The raw assay data forming significant intercepts are examined and discussed by at least two company personnel.</li> <li>Assay data is provided by Alex Stewart in three formats, csv spreadsheets, Excel spreadsheets and signed pdf files. The csv files are used to merge the data into MapInfo files. Hard copy of this and other data is stored with the other trench data. Absolute values of the assay results are checked by comparing results of the quality control samples with the known values of the international standards and sterile samples which were inserted by the geologists into the sample sequence. Repeatability of assay results was verified by examining the results of duplicate samples inserted by the company and internal laboratory duplicate results included with the assay certificates.</li> </ul> |
| <b>Location of Data Points</b>               | <ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>  | <ul style="list-style-type: none"> <li>Trench collars are located using Garmin hand-held GPS accurate to <math>\pm 5\text{m}</math>.</li> <li>All coordinates are based on UTM Zone 19S using a WGS84 datum.</li> <li>Topographic control to date has used GPS data, which is adequate considering the small relief (<math>&lt; 50\text{m}</math>) in the area.</li> </ul>   |
| <b>Data Spacing and Distribution</b>         | <ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul> | <ul style="list-style-type: none"> <li>Not applicable as no Ore Resource or Reserve has been completed at El Rosillo.</li> </ul>   |
| <b>Orientation of Data in</b>                | <ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the</li> </ul>  | <ul style="list-style-type: none"> <li>Trenches are pedicular to the strike of vein structures</li> </ul>  |

| Criteria                                | JORC Code Explanation   | Commentary   |
|---|---|--|
| <b>Relation to Geological Structure</b> | extent to which this is known, considering the deposit type. <ul style="list-style-type: none"> <li>If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul> |  |
| <b>Sample Security</b>                  | <ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>   | <ul style="list-style-type: none"> <li>Chain of custody was managed by E2Metals. Samples were placed into taped polyethylene bags with sample numbers that provided no specific information on the location of the samples. Samples were transported from site to the Alex Stewart preparation lab in Mendoza by courier and after preparation pulps were transported for final analysis using transport organized by Alex Stewart.</li> <li></li> </ul> |
| <b>Audits or Reviews</b>                | <ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>   | <ul style="list-style-type: none"> <li>No audit or review of the sampling regime at El Rosillo has been undertaken.</li> </ul>   |

## Section 2 Reporting of Exploration

| Criteria                                       | JORC Code Explanation  | Commentary   |
|--|--|--|
| <b>Mineral Tenement and Land Tenure Status</b> | <ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</li> </ul> | E2 holds a 100% interest in the El Rosillo project through its ownership in local Argentina holding company Ivacl Mining SA.<br><br>El Rosillo Project title <ul style="list-style-type: none"> <li>Title ID 42048/17</li> </ul> |

| Criteria                          | JORC Code Explanation   | Commentary  |
|-----------------------------------|---|---|
| Exploration Done by Other Parties | <ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>   | <p><b>El Rosillo Project</b><br/> <u>Reconnaissance exploration by Valcheta</u></p> <ul style="list-style-type: none"> <li>Valcheta has completed a limited phase of selective rock chip sampling at the El Rosillo project. This work led to the identification of Intrusion Related Gold-type mineralisation at Targets 37 and 38.</li> </ul>   |
| Geology                           | <ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>   | <p><b>Deposit Model</b></p> <ul style="list-style-type: none"> <li>El Rosillo is located towards the western margin of the Somuncura Massif geological province that stretches across southern Argentina into the Chilean southern Andes. This massif is underlain by Triassic and rassic aged volcanic and volcanoclastic rocks.</li> <li>Important precious metal deposits have been discovered in the province during the past 20 years. Gold and silver mineralisation is associated with Low Sulphidation (LS) Epithermal veins related to northwesterly structures that were active at the time of mineralisation.</li> </ul> |
| Drill Hole Information            | <ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:               <ul style="list-style-type: none"> <li>Easting and northing of the drill hole collar</li> <li>Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>Dip and azimuth of the hole</li> <li>Down hole length and interception depth</li> <li>Hole length</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>No drill hole results are discussed in this announcement</li> </ul>  |



| Criteria   | JORC Code Explanation   | Commentary  |
|--|---|---|
|  | If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.   |   |
| <b>Data Aggregation Methods</b>  | <ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul> | <ul style="list-style-type: none"> <li>Significant intercepts are calculated using a 0.25gpt Au equivalent cut off. Sample grades are weighted by interval length.</li> </ul> |
| <b>Relationship Between Mineralisation Widths and intercept lengths.</b> | <ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a</li> </ul>   | <ul style="list-style-type: none"> <li>Trenches are perpendicular to the dip and strike of target structures and therefore approximate true widths</li> </ul>                 |

| Criteria                                  | JORC Code Explanation   | Commentary   |
|---|---|--|
|   | clear statement to this effect (eg “down hole length, true width not known”).   |  |
| <b>Diagrams</b>                           | <ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>   | <ul style="list-style-type: none"> <li>Yes.</li> </ul>   |
| <b>Balanced Reporting</b>                 | <ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>   | <ul style="list-style-type: none"> <li>Yes</li> </ul>  |
| <b>Other Substantive Exploration Data</b> | <ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul> | <ul style="list-style-type: none"> <li>There is no exploration data unreported in this announcement</li> </ul> |
| <b>Further Work</b>                       | <ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or</li> </ul>  | <ul style="list-style-type: none"> <li>Further trenching and drilling is planned at all prospects</li> </ul>   |

| Criteria | JORC Code Explanation  | Commentary |
|----------|--|------------|
|          | <p>depth extensions or large-scale step-out drilling).</p> <ul style="list-style-type: none"> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul> |            |